

2008 New Funding Allocation and Capital Plan for SDA Districts

Management's Presentation to the SDA Board

July 8, 2008

Process Overview

- ❖ June 2007 DOE commenced preparation of Education Facilities Needs Assessment to inform SDA planning
- ❖ June 2007 collaborative process initiated with DOE, SDA and Districts to identify top 3-5 priorities in each district
 - Goal to align District priorities with educational need
 - Identified critical needs within Districts
- ❖ April 2008 DOE initiated analysis of most critical projects among all districts based on district-identified priorities
 - Applied ranking criteria based upon educational adequacy
 - Established hierarchy among projects

Process Overview (continued)

- ❖ SDA, in consultation with DOE, applied newly available funding and programmatic policies and goals leading to development of 2008 Funding Allocation Plan
- ❖ Commencing in or about January 2009, SDA in consultation with DOE, Districts, and governing bodies in SDA Districts will develop strategic plan reflecting identified needs for future funding

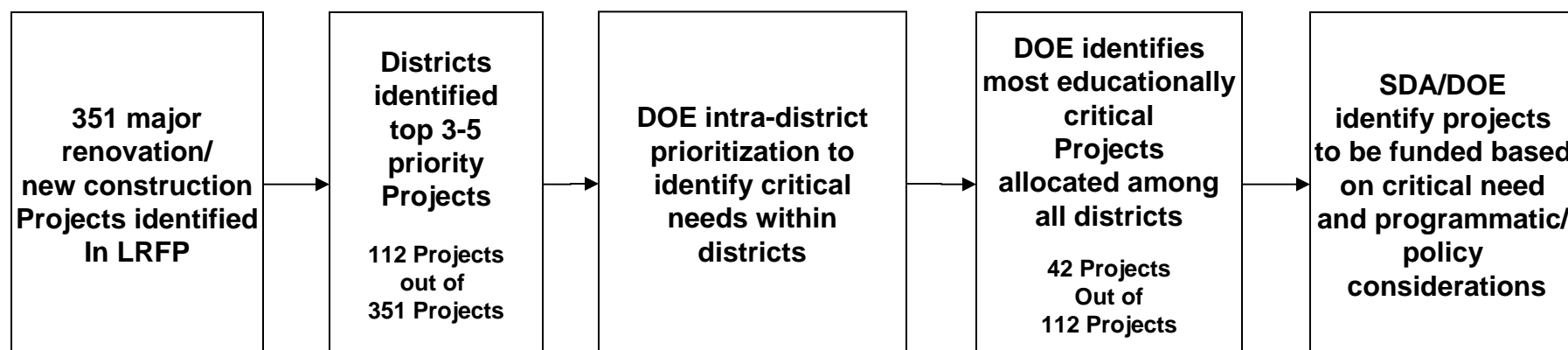
Goals of the 2008 New Funding Allocation and Capital Plan for SDA Districts

- ❖ Complete 2007 Deferral Plan phase funded projects previously approved through preparation of bid documents
- ❖ Recognition of significant State investment (Sunk Costs)
- ❖ Equitable distribution of limited resources
- ❖ Full funding of Projects
- ❖ Maintain adequate Reserves for planning, emergent projects and other unforeseen events
- ❖ Provide for District Specific Adjustments

Complete 2007 Deferral Plan Phase Funded Projects

- ❖ Deferral Plan efficiently allocated then-remaining resources:
 - Fully funded 32 projects
 - Phase funded 27 projects
Through preparation of bid documents
 - Retained adequate Reserve for emergent projects and other unforeseen events
- ❖ First priority for additional funding allocation
 - Fund Deferred projects through Completion
 - Projected Notice-to-Proceed dates subject to refinement
 - Total Estimated Cost to Complete: **\$ 970.6m**
(Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval)

Methodology for Determination of Need



Financial Assumptions

Funding - July 1, 2008	\$2,900,000,000
+ Existing Reserve for Emergent Projects & Unforeseen Events (as of 6/30/08)	\$147,067,501
+ Forecasted Interest Earnings on New Funding Allocation^	\$54,300,000
- Estimated Costs to Complete May 2008 Emergent Projects	\$57,000,000
- Estimated Program Costs (related to new funding through 2013; G&A @ 3%)	\$90,000,000
Total Net Funding	\$2,954,367,501
- Cost to complete Deferred Projects*	\$970,554,176
Funding for Proposed 2008 New Funding Allocation & Capital Plan	\$1,983,813,325
- Reserve for Unforeseen Events	\$150,000,000
- Reserve for Emergent Projects	\$40,000,000
- Reserve for Adjustments to Planning Estimates	\$100,000,000
Remaining for major Facility Projects	\$1,693,813,325

^ - Forecasted Interest earnings based on average rate of return experience over the previous 24 months

* - Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval

Methodology for Identification/Inclusion of New Projects

First

Educational Assessment

- **Inter-District Prioritization Rating Criteria**
 - District Size
 - Overcrowding based on existing enrollment
 - Preschool accommodations
 - Temporary and leased facilities
 - Annexes and remote buildings
 - Building age
 - Program Delivery
 - Facility Efficiency
 - Standards compliance
 - Long Range Facility Plan percentage complete

Second

State Investment

- **Alignment of State financial investment with DOE/District educational priority alignment**
 - Maximize educational benefit of prior funding investment
 - Complete projects with investments exceeding \$3m each for previously performed preconstruction activities

Third

Equity & Specific Adjustments

- **Equity Adjustments**
 - All districts to have at least one project funded through this authorization
 - No district to have more than four projects funded through this authorization, except if fifth project has Sunk Costs exceeding \$3m
- **District Specific Adjustments**
 - Address Higher Educational Priority
 - Result in Net Reduction of Costs

2008 New Funding Allocation and Capital Plan - SDA Districts

Summary	
Completion of Deferred Projects	27
Newly Funded Projects	26
Total Projects	53

**2008 New Funding Allocation and
Capital Plan - SDA Districts (continued)**

<u>Projects</u>	<u># of Projects</u>	<u>Cost</u>
Completion of Deferred Projects	27	\$970.6m
Newly Funded Projects	26	\$1,679.0m
Reserve (for Planning, Emergent Projects and other unforeseen events)		\$304.8m
Total	53	\$2,954.4m

Presentation of Projects to be Funded

❖ Listing of Projects - Alphabetically by District with Cost Estimates

- Cost Estimates based upon planning estimates and refined benchmarked assumptions
- Anticipated cost adjustments are supported by the \$100m planning reserve

❖ Listing of Projects - by Notice-to-Proceed Date

- Like listing of Projects with Cost Estimates - based upon planning estimates and refined benchmarked assumptions
- Provides sense of direction of rollout
- Recognizes importance of initiating work quickly
 - Availability of Education Facilities
 - Economic Stimulus
- SDA possesses the priority setting, planning, and controls to manage the rollout

This chart has been reformatted from the original version presented to the SDA Board to provide an easy-to-read format and to clarify distinctions between total estimated project costs and estimated costs to be funded strictly through the new \$2.9 billion allocation.

2008 New Funding Allocation & Capital Plan for SDA Districts

Listing of Projects to Be Funded Alphabetically by District with Cost

Based on Planning Estimates for 26 New Projects

Color Key
List of 27 Deferred Projects

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To be Expended				
Asbury Park*	New ES (Bangs Replacement)	May-11	\$1,051,596	\$8,419,606	\$28,191,700	\$1,780,842	\$39,443,744	\$38,392,149
Bridgeton	Broad Street Elementary Reno	May-10	\$243,060	\$8,077,474	\$26,326,493	\$2,677,270	\$37,324,298	\$37,081,238
Burlington City	Boudinot Area ECC	May-11	\$0	\$894,126	\$7,885,360	\$601,426	\$9,380,911	\$9,380,911
Camden City	Pyne Poynt Family M.S.	Jan-09	\$6,245,980	\$1,873,066	\$32,260,917	\$1,355,413	\$41,735,376	\$33,616,330
Camden City	Camden H.S.	Jun-10	\$15,881,769	\$9,224,286	\$76,632,528	\$8,514,725	\$110,253,308	\$94,371,539
Camden City	Lanning Square E.S.	Aug-10	\$2,383,411	\$7,030,936	\$32,777,320	\$2,610,583	\$44,802,250	\$42,418,839
East Orange	George Washington Carver	Jun-10	\$3,246,645	\$2,911,596	\$24,188,643	\$2,687,627	\$33,034,510	\$29,787,865
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Mar-11	\$3,517,063	\$7,235,949	\$82,630,376	\$8,043,665	\$101,427,053	\$97,909,990
Garfield	James Madison School #10	Sep-09	\$3,086,066	\$3,231,503	\$22,669,149	\$1,415,750	\$30,402,468	\$24,084,899
Gloucester City	Middle School - New	Jan-11	\$12,727,683	\$5,037,815	\$44,695,358	\$3,787,742	\$66,248,598	\$53,520,915
Harrison	HS conversion to MS	Jul-09	\$1,256,398	\$4,147,584	\$34,456,848	\$3,828,539	\$43,689,369	\$42,432,971
Hoboken	Thomas G. Connors	Feb-10	\$771,898	\$1,772,948	\$22,541,582	\$1,592,029	\$26,678,457	\$24,133,611
Irvington	Madison Avenue ES	Oct-10	\$511,712	\$7,065,812	\$31,706,227	\$3,224,362	\$42,508,112	\$41,996,400
Jersey City	ECC 13	Jun-09	\$3,179,562	\$3,563,885	\$16,454,745	\$760,890	\$23,959,082	\$17,215,635
Jersey City	ECC 03	Jun-09	\$7,769,407	\$2,077,216	\$19,631,512	\$941,647	\$30,419,782	\$20,573,159
Jersey City	E.S. 3 (swapped w/ 24)	Jun-09	\$402,973	\$5,274,934	\$40,441,159	\$1,758,311	\$47,877,376	\$47,474,404
Jersey City	P.S. 20	Jul-09	\$7,759,267	\$2,398,314	\$40,816,416	\$3,250,865	\$54,224,862	\$46,465,595
Jersey City	ECC 14	May-11	\$454,119	\$2,291,314	\$16,299,834	\$767,446	\$19,812,712	\$17,067,280
Keansburg	Lorraine Place ES	Jan-10	\$5,285,228	\$3,239,607	\$32,160,568	\$1,385,679	\$42,071,083	\$33,546,247
Keansburg	New ECC PK-2 (Caruso)	Mar-10	\$560,733	\$3,313,478	\$45,431,864	\$3,618,467	\$52,924,543	\$52,363,810
Long Branch	Elberon E.S.	Jun-09	\$1,175,140	\$2,800,804	\$36,323,077	\$1,485,962	\$41,784,984	\$37,809,039
Millville	New high school	Jan-10	\$875,483	\$7,881,628	\$141,545,548	\$13,778,770	\$164,081,430	\$163,205,947
New Brunswick	Paul Robeson Community E.S.(Addition)	Nov-08	\$1,940,442	\$1,893,865	\$25,945,430	\$1,116,621	\$30,896,358	\$27,062,051
New Brunswick	A. Chester Redshaw E.S.	Dec-08	\$3,505,213	\$1,701,203	\$37,056,116	\$2,020,462	\$44,282,995	\$39,076,578
New Brunswick	K Center (Potential +10 PK Classrooms)	May-11	\$849,053	\$19,978,352	\$23,340,121	\$1,858,948	\$46,026,474	\$45,177,421
Newark	Gladys Hillman-Jones M.S.	Nov-08	\$4,837,775	\$1,242,758	\$19,057,851	\$1,529,063	\$26,667,447	\$20,586,914
Newark	Oliver Street	Jul-09	\$11,374,918	\$13,078,956	\$50,399,312	\$4,014,105	\$78,867,292	\$67,492,373
Newark	South Street	Jul-09	\$10,812,306	\$9,591,327	\$47,302,982	\$3,767,494	\$71,474,110	\$60,661,804
Newark	West Side	Jul-09	\$9,729,319	\$31,574,676	\$91,722,348	\$9,327,696	\$142,354,039	\$132,624,720
Orange	Cleveland Street Elementary School	Mar-10	\$1,124,071	\$9,973,792	\$20,984,250	\$2,435,672	\$34,517,784	\$33,393,714
Passaic City	Dayton Avenue Middle	Jan-10	\$14,809,119	\$5,173,781	\$82,650,256	\$6,571,091	\$109,204,246	\$94,395,128
Passaic City	Dayton Avenue Elementary	Jan-10	\$13,134,835	\$2,809,991	\$56,656,721	\$4,354,429	\$76,955,977	\$63,821,142
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place	Sep-10	\$681,773	\$17,787,077	\$30,541,700	\$2,798,323	\$51,808,872	\$33,340,023

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Listing of Projects to Be Funded Alphabetically by District with Cost

Based on Planning Estimates for 26 New Projects

Color Key
List of 27 Deferred Projects

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To be Expended				
Passaic City	New ECC @ Dayton Avenue Site	Nov-10	\$0	\$1,197,000	\$21,346,780	\$1,064,053	\$23,607,833	\$22,410,833
Paterson	New Elementary School at Marshall & Hazel	Dec-08	\$8,835,765	\$2,726,020	\$39,684,635	\$2,556,445	\$53,802,865	\$42,241,080
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)	Dec-08	\$0	\$200,865	\$2,899,819	\$0	\$3,100,683	\$2,899,819
Paterson	Number 25 E.S.	Dec-08	\$1,122,316	\$1,736,671	\$25,317,881	\$2,208,513	\$30,385,381	\$27,526,394
Paterson	PS # 16 ES	Apr-11	\$1,617,686	\$25,401,049	\$41,210,039	\$3,464,561	\$71,693,335	\$70,075,649
Paterson	#3 ES	May-11	\$56,581	\$28,223,316	\$47,044,451	\$3,955,064	\$79,279,412	\$79,222,831
Pemberton Twp.	New Early Childhood Center	Dec-08	\$2,589,741	\$1,620,991	\$27,291,178	\$1,182,902	\$32,684,812	\$28,474,080
Pemberton Twp.	ECC #2	May-11	\$0	\$10,517,704	\$31,751,038	\$2,528,844	\$44,797,586	\$44,797,586
Perth Amboy	Seaman Avenue School	Sep-09	\$2,286,285	\$2,334,681	\$34,221,644	\$2,162,160	\$41,004,770	\$36,383,804
Phillipsburg	New Phillipsburg HS	Jun-09	\$16,579,651	\$4,277,366	\$139,930,604	\$13,621,563	\$174,409,184	\$157,829,533
Plainfield	Woodland ES	Jan-10	\$961,998	\$2,543,230	\$21,128,376	\$2,347,597	\$26,981,202	\$26,019,204
Pleasantville	Decatur Ave Alternative High School	Apr-09	\$1,079,408	\$1,109,732	\$19,255,431	\$874,921	\$22,319,492	\$20,130,352
Pleasantville	New ECC	May-11	\$0	\$5,913,908	\$42,566,778	\$3,390,274	\$51,870,960	\$51,870,960
Salem City	John Fenwick ES	May-10	\$382,669	\$4,629,047	\$33,368,178	\$2,657,643	\$41,037,537	\$40,654,868
Trenton	New Early Childhood Center	Mar-09	\$1,818,210	\$1,650,750	\$14,348,196	\$655,096	\$18,472,252	\$15,003,292
Trenton*	Roebeling School	Jul-10	\$18,256,121	\$6,237,000	\$72,346,500	\$3,564,000	\$100,403,621	\$82,147,500
Trenton*	Trenton Central HS	Jun-10	\$10,330,003	\$12,560,723	\$125,581,062	\$11,513,996	\$159,985,783	\$149,655,781
Union City	New ES - Columbus Replacement	Jun-09	\$7,737,865	\$4,522,517	\$44,838,746	\$2,172,725	\$59,271,853	\$47,011,471
Vineland	Vineland Middle School #2	Jan-09	\$2,974,438	\$1,843,265	\$29,717,420	\$1,649,104	\$36,184,227	\$31,366,524
West New York	Harry L. Bain E.S.	Jun-09	\$8,481,529	\$11,772,193	\$48,589,938	\$2,734,991	\$71,578,652	\$51,324,929
Total			\$236,294,283	\$345,587,690	\$2,204,163,004	\$173,966,367	\$2,960,011,345	\$2,649,527,128

* - Anticipation of finalization of publicly articulated plans subject to DOE Approval

2.9b Funding Allocation	No. of Project	Funds
Total Projects Fully Funded	53	\$2,649,527,128
Total Projects that receive no funds	0	\$0
Subtotal	53	\$2,649,527,128
Reserve for Emergent Projects, Planning & Unforeseen Events		\$304,840,373
Total		\$2,954,367,501

Note: Funding Includes Existing Reserve and Program Costs

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Listing of Projects to Be Funded by Notice-to-Proceed Date

Based on Planning Estimates for 26 New Projects

Color Key

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New Brunswick	Paul Robeson Community E.S.(Addition)	Nov-08
Newark	Gladys Hillman-Jones M.S.	Nov-08
Pemberton Twp.	New Early Childhood Center	Dec-08
New Brunswick	A. Chester Redshaw E.S.	Dec-08
Paterson	New Elementary School at Marshall & Hazel	Dec-08
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)	Dec-08
Paterson	Number 25 E.S.	Dec-08
Camden City	Pyne Poynt Family M.S.	Jan-09
Vineland	Vineland Middle School #2	Jan-09
Trenton	New Early Childhood Center	Mar-09
Pleasantville	Decatur Ave Alternative High School	Apr-09
Jersey City	ECC 13	Jun-09
West New York	Harry L. Bain E.S.	Jun-09
Union City	New ES - Columbus Replacement	Jun-09
Jersey City	ECC 03	Jun-09
Jersey City	E.S. 3 (swapped w/ 24)	Jun-09
Long Branch	Elberon E.S.	Jun-09
Phillipsburg	New Phillipsburg HS	Jun-09
Newark	Oliver Street	Jul-09
Newark	South Street	Jul-09
Newark	West Side	Jul-09
Jersey City	P.S. 20	Jul-09
Harrison	HS conversion to MS	Jul-09
Perth Amboy	Seaman Avenue School	Sep-09
Garfield	James Madison School #10	Sep-09
Keansburg	Lorraine Place ES	Jan-10
Passaic City	Dayton Avenue Middle	Jan-10
Passaic City	Dayton Avenue Elementary	Jan-10
Millville	New high school	Jan-10
Plainfield	Woodland ES	Jan-10

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Orange	Cleveland Street Elementary School	Mar-10
Keansburg	New ECC PK-2 (Caruso)	Mar-10
Salem City	John Fenwick ES	May-10
Bridgeton	Broad Street Elementary Reno	May-10
Trenton*	Trenton Central HS	Jun-10
Camden City	Camden H.S.	Jun-10
East Orange	George Washington Carver	Jun-10
Trenton*	Roebling School	Jul-10
Camden City	Lanning Square E.S.	Aug-10
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place	Sep-10
Irvington	Madison Avenue ES	Oct-10
Passaic City	New ECC @ Dayton Avenue Site	Nov-10
Gloucester City	Middle School - New	Jan-11
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Mar-11
Paterson	PS # 16 ES	Apr-11
Jersey City	ECC 14	May-11
Pleasantville	New ECC	May-11
Pemberton Twp.	ECC #2	May-11
New Brunswick	K Center (Potential +10 PK Classrooms)	May-11
Paterson	#3 ES	May-11
Asbury Park*	New ES (Bangs Replacement)	May-11
Burlington City	Boudinot Area ECC	May-11

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